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Report of the Secretary-General on the United Nations Transitional Administration in East Timor

I. Introduction

1. The present report is submitted pursuant to Security Council resolution 1392 (2002) of 21 January 2002, in which the Council decided to extend the mandate of the United Nations Transitional Administration in East Timor (UNTAET) until 20 May 2002. The present report reviews the activities of UNTAET since my previous report, dated 17 January 2002 (S/2002/80 and Corr.1).[1] It also includes specific proposals on the establishment of a follow-on peacekeeping operation after independence.

II. Final phase to independence

2. The present report marks the end of a significant stage in the process towards independence which has enabled East Timor to move during the past two and a half years from widespread devastation to the establishment of the foundations for the administration of a new country and to the rehabilitation of a basic infrastructure that can support economic and social activity. Over the past three months, further progress has been achieved in consolidating the political and institutional structure of the new nation, with the adoption of a Constitution, the election of the country's first President and the hand-over of most executive and operational functions to the East Timorese, thus paving the way for the country's independence on 20 May 2002.

3. Nevertheless, as noted in my previous report, a number of issues that present challenges to the short and longer-term security and stability of the new State have not yet and could not have been fully resolved. These range from border demarcation, return of refugees and regulation of commercial activity in the border area, to strengthening of nascent governmental structures, including law enforcement and the judicial system, as well as the consolidation of the framework for economic and social development. It is therefore essential for the international community to remain engaged in East Timor for some time beyond independence, to ensure stability and to build upon the achievements of UNTAET.

A. Political developments

Adoption of the Constitution

4. On 22 March 2002, at a solemn ceremony attended by senior members of the second Transitional Government, civil society, religious leaders, both presidential candidates, Francisco Xavier do Amaral and Kay Rala Xanana Gusmão, as well as my Special Representative and Transitional Administrator, Sergio Vieira de Mello, all 88 members of the Constituent Assembly signed the text of the Constitution of the Democratic Republic of East Timor, which will come into force on 20 May 2002. The leaders of all parties expressed their support, placing national unity above party interest.

5. The Constitution provides for a unitary democratic State, based on the rule of law and the principle of separation of powers. It provides for an elected President of the Republic, an elected National Parliament and an independent judiciary. The document honours those veterans who fought in the national liberation movement and acknowledges the role of the Church. The Constitution establishes Portuguese and

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Tetum as the official languages. It also foresees that the district of Oecussi will have a special administrative status, while Atauro Island will enjoy special economic status.

6. The signing of the Constitution was the result of six months of intensive discussions. In its work, the Constituent Assembly received advice from various groups in East Timorese civil society, from the United Nations and its Member States, from non-governmental organizations and from public consultations held in all 13 districts. The Constituent Assembly adopted the final draft by a roll-call vote of 72 in favour, 14 against and 1 abstention (with 1 absentee). With its task completed, the Constituent Assembly transformed itself into a Legislative Assembly and will become the first legislature of the independent country.

First presidential elections

7. East Timor's first presidential elections were held on 14 April 2002. The two presidential candidates, Mr. do Amaral and Mr. Gusmão, were nominated by two and nine political parties, respectively. The largest party in the legislature, the Revolutionary Front on an Independent East Timor (Fretilin), did not nominate a candidate or officially support either candidate, advising its members to choose freely according to their conscience. Polling day, as with the four-week campaign period that preceded it, was peaceful, orderly and without significant incidents. The counting of the ballot papers is currently under way, and the result will be announced shortly — the unofficial result is anticipated for 17 April, and the certified result will be announced on 21 April. The first President of the Democratic Republic of East Timor will be sworn in on 20 May.

8. The Independent Electoral Commission (IEC) prepared the 14 April elections effectively with East Timorese staff playing a major role. For the first time, all district electoral managers were East Timorese, as were half of the 300 subdistrict electoral officers and many of the staff at the national headquarters in Dili, including an all-East Timorese training team. Some 6,000 East Timorese polling staff joined the national and international staff. As a result, a pool of well-trained and experienced East Timorese will be available to serve in future elections.

Activities of the Council of Ministers

9. During the reporting period, the Council of Ministers of East Timor continued to exercise day-to-day executive functions as delegated by the Transitional Administrator, and adopted measures on a wide range of matters, including the recruitment of public servants, health, the rehabilitation of schools, electricity supply and reforestation. The Council continued to hold open meetings in all districts.

10. Among other decisions, the Council agreed that East Timor would apply for membership of the United Nations, the World Bank Group and the International Monetary Fund (IMF). An application for the latter was lodged on 22 February. It approved measures for the revision and translation of UNTAET legislation into the official languages of East Timor and launched a project aimed at developing the national language, Tetum. Ministers are currently reviewing UNTAET regulations and directives in the light of East Timor's Constitution, with a view to their adoption by the national legislature upon independence.

Independence day preparations

11. A nationwide celebration is being planned to mark East Timor's Independence on 20 May 2002. The official independence day programme will commence on the evening of 19 May. At midnight on that day, the United Nations flag will be lowered and the flag of East Timor will be raised. The new President will be sworn in on 20 May.

B. Public administration for an independent East Timor

12. Building an East Timorese public service has been one of the most difficult aspects of UNTAET's mandate. It will be recalled that public records were destroyed or removed and many of the experienced civil servants, including some who were East Timorese, left in the wake of the popular consultation held on 30 August 1999. The development of a professional and effective public administration will remain a major challenge in the coming years.

13. Recruitment, training and capacity-building have taken much longer than anticipated. To date, almost 11,000 civil servants have been recruited against some 15,000 approved posts, including posts in the East Timor Police Service and the East Timor Defence

Force. While these are significant figures, the appointments have been mainly at the lower levels and less than 50 per cent of management positions have been filled thus far. Insufficient recruitment at the upper levels can be attributed in large part to the lack of suitably qualified candidates, but has also been exacerbated by institutional problems (including insufficient staff and high turnover) within the Civil Service and Public Employment Commission. UNTAET and the United Nations Development Programme (UNDP) are working closely together to try to identify qualified candidates who will work with the Government in the follow-on mission in order to help address this lack of existing capacity, through training and mentoring.

14. A comprehensive 10-year programme for governance and public sector development was prepared by the former National Planning and Development Agency (now the Planning Commission) and UNDP and endorsed by the donors' meeting held at Canberra in June 2001, as well as by the Transitional Cabinet. Donors have since expressed interest in providing bilateral support for over 80 per cent of the individual projects that are considered critical to the success of the administrative handover. However, final approval is awaiting a decision by the Council of Ministers. Swift action is crucial to maintain the momentum and donor confidence and to safeguard the long-term effectiveness of East Timor's administrative machinery.

15. At the local level, East Timorese civil servants have now assumed full responsibility in decision-making and day-to-day district administration, while the United Nations role, with the drawdown of international personnel, has shifted since 2001 from one of active management to training, advising and supporting cross-sectoral planning and coordination. However, the district administrations still require strengthening. The Ministry of Internal Administration is recommending ways of delegating authority for decision-making to local communities, in particular with regard to local resource allocation and property disputes.

Foreign affairs

16. On 25 February 2002, my Special Representative, Chief Minister Mari Alkatiri, and Senior Minister for Foreign Affairs José Ramos-Horta held talks with the Government of Indonesia at Denpasar. This was followed on 26 February by trilateral discussions with Indonesia and Australia, at which my Special Representative signed with Indonesian Foreign Minister Hassan Wirayuda two arrangements on the establishment of postal links between the two countries and a commercial bus service between the Oecussi enclave and the other districts of East Timor. A more general agreement on border trade and border crossing is expected to be concluded soon. The parties also agreed to strengthen cooperation on judicial matters and to begin, in April 2002, the process of land border demarcation. I am encouraged by this significant progress in bilateral negotiations and look forward to the early implementation of the agreements reached.

Justice

17. Problems in the development of the justice sector will continue to require close attention after independence. Considerable difficulties remain, owing to the lack of experienced national personnel, limited resources and language barriers, particularly in the light of the four languages utilized in the courts.

18. The lack of an effective administrative support structure, coupled with delays in recruitment, has meant that only one of the two Special Panels for Serious Crimes is operational, moreover the Court of Appeal has had no quorum since October 2001, following the departure of two international judges. In recent months, the absence of a President of the Court of Appeal, responsible for court supervision, has also further weakened the administration of justice, resulting in a backlog in appeals for serious and ordinary crimes, including cases in which the appellants remain in custody. Prolonged detention without trial, among other factors, has led prisoners at Becora prison in Dili to stage a non-violent protest on 18 and 19 March 2002. A similar protest took place at Gleno prison in Ermera on 22 March. The administration of justice outside Dili also continues to be problematic because of insufficient administrative support outside Dili, and this is a matter of concern to the local communities and the police. The Minister of Justice is proposing the establishment of court registries in (at least) Baucau and Oecussi Districts. It is hoped that this might assist the development of the administration of justice outside Dili.

19. All these difficulties have clearly had a negative impact on the effectiveness of the judicial system, at a time when East Timorese confidence in the nascent

judicial system is vital. To reduce the critical backlog of appeal cases in the immediate term, my Special Representative issued an executive order transferring two international judges from the Special Panels temporarily to the Court of Appeal. UNTAET is recruiting a court administrator for the Special Panels who will support the planning and operational aspects of the Panels' work, and is considering a similar arrangement for the Court of Appeal and district courts. In order to reinforce the principle of independent appointment of judges, UNTAET is also providing some support to the Transitional Judicial Services Commission, which is responsible for the recruitment, evaluation, discipline and dismissal of judges. To address the current imbalance between prosecution and defence, particularly in serious crimes trials, UNTAET is seeking to establish a legal aid service as a priority and is discussing models with the Ministry of Justice to ensure consistency with government plans for the post-independence period.

20. A land dispute mediation programme is now in effect. However, in accordance with the decision of the first Transitional Administration to wait until independence, there has been no resolution of critical policy issues concerning land ownership disputes, the reconstruction of the public record of land ownership, acknowledgement of land rights derived from the Portuguese and Indonesian administrations or ownership of land rights by persons and corporations who are not of East Timorese origin. At this stage, conflicting claims to land ownership can only be determined by the already overstretched courts. In the absence of a clear legal basis for land title and usage, issues of land ownership will continue to be problematic after independence. Resolution of competing claims to land depends on constitutional provisions regarding land ownership, particularly the definition of citizenship, in order to determine who can legitimately own land in East Timor. This lack of clarity with regard to land ownership is a major factor inhibiting foreign investment.

East Timor Police Service

21. The East Timor Police Service was established on 27 March 2000. To date, the Police College has trained 1,552 officers, of whom almost 20 per cent are female. A further 248 East Timorese cadets are currently in training. The Service's overall target strength of 2,830 reflects a proposal being considered by the Government to assign the border and immigration officers to the Service. Specialized training of police officers has increased, including a programme aimed at developing mid- to senior-level management, as well as training on human rights and civil disturbance management.

22. As described in section III below, police officers, upon receiving basic training, are deployed to the districts under the supervision of United Nations police. Operational responsibility for day-to-day policing will pass to the East Timor Police Service, at the district level, once its officers acquire certification and the district is accredited. Performance in these districts will be under continual review by the United Nations. Under the development plan, the Service will attain its full strength by June 2003. Subject to acquiring the necessary certification and accreditation, the Service will assume full executive responsibility for policing by January 2004, while the United Nations police will retain an advisory role. Until that time, the two police services will continue to remain under the common command of the international Police Commissioner.

East Timor Defence Force

23. The East Timor Defence Force first infantry battalion of 500 members is continuing its training at Los Palos, Lautem District. Recruitment for the second battalion and support units has begun at the Metinaro training facility in Dili District. Training is also continuing with the newly established maritime component of the Force located at Port Hera, Dili District. The target strength of the Force continues to be 1,500 regular soldiers, supported by a reserve of a further 1,500.

24. Planning and budgeting for the establishment of a Ministry of Defence is under way. This Ministry will provide defence policy advice and the essential civilian oversight required for the long-term management of the Force. As the Ministry is developed it will subsume the responsibilities of the current Office of Defence Force Development. My Special Representative will soon appoint a Secretary of State for Defence, who will report to him, as does the East Timor Defence Force, on all policy and operational matters, until independence.

25. Development assistance for the Force has been provided through bilateral assistance and donor

contributions. However, additional training and donor financial support, including extensive capital investment, will be required up to and well beyond independence, in order to ensure that the Force reaches operational capability, projected for January 2004.

C. Creation of a stable security environment

Security

26. During the reporting period, the robust presence of the UNTAET military component continued to ensure a stable security environment. However, there was an increase in reports of shooting, flares and explosions in the vicinity of the Tactical Coordination Line, the informal boundary agreed to by UNTAET and the Indonesian armed forces (Tentara Nasional Indonesia (TNI)) pending formal demarcation of the border. While a number of these incidents are still linked to the continuing activities of militia elements in West Timor, others, which have increased, may be the result of military operations, hunters or illegal traders.

27. Within this context, good cooperation between TNI and the UNTAET peacekeeping force has contributed to a decline in militia activity. However, UNTAET assesses that a presence of hard-line militia remains in West Timor, posing a continuing potential threat. As recently as 9 March, an UNTAET patrol was subject to proximate fire near the Tactical Coordination Line. The identity and intent of those firing in this incident remains unclear.

28. As indicated in my previous report (S/2002/80 and Corr.1), illegal markets continue to operate on the borders, with some becoming larger and more difficult to patrol and manage. There are indications that suspected militia elements use the markets to extort money from traders. Illegal market activity will be easier to control when the demarcation of the border is agreed between East Timor and Indonesia. A joint reconnaissance — the first phase of border demarcation — had been scheduled for February 2002 but, because of technical difficulties, is now expected to commence on 20 April 2002.

Refugee returns

29. The situation of East Timorese refugees in Indonesia has been one of the most tragic legacies of the violence of 1999, but after months of slow progress, recent returns have been very encouraging. Nevertheless, tens of thousands of refugees will still be left in West Timor by the time East Timor accedes to independence.

30. An East Timorese Reconciliation and Repatriation Liaison Team, with representatives of Chief Minister Alkatiri, Mr. Gusmão and my Special Representative, was formed to coordinate the efforts of UNTAET and the second Transitional Government in promoting refugee returns. The Office of the United Nations High Commissioner for Refugees (UNHCR) continued to facilitate "go-and-see" visits and border reconciliation meetings as a means of fostering return. In order to help efforts to build confidence and encourage return, an information campaign on justice procedures for returning refugees suspected of committing crimes in 1999 has been launched in West Timor.

31. In March 2002, there was an upsurge in refugee returns, with some 3,680 — the highest number in a single month since early 2000. This increase is a result of several factors — the cessation of food aid by the Government of Indonesia, an increase in cross-border visits, interest generated by the presidential elections and plans for independence day — but generally reflects confidence in the situation in East Timor and optimism with respect to independence. A visit by Mr. Gusmão to refugee camps in West Timor on 4 April spurred an even stronger rate of return, bringing the number of returnees since the beginning of 2002 to almost 10,000. To date, a total of over 202,000 refugees have returned. The number of those still in West Timor is estimated by UNHCR at over 50,000.

32. The Government of Indonesia ceased food distribution to the camps on 1 January 2002, but provisionally resumed aid to the most vulnerable groups in mid-March after reports of malnutrition. At the same time, the Government proposed to extend its deadline for "assisted repatriation" of East Timorese refugees in the camps in West Timor until the end of August 2002. This will allow refugees to decide whether they wish to return after East Timor becomes independent on 20 May or to be resettled in Indonesia. The Government of Indonesia has agreed to make back payments of pensions to former members of Indonesian civil servants, police and armed forces in East Timor until independence. I strongly hope that these payments will commence before independence. A special fund has been established to compensate former civil

servants for loss of future pensions and salaries, so that payments in Indonesia do not act as a disincentive to return.

Commission for Reception, Truth and Reconciliation

33. The Commission for Reception, Truth and Reconciliation was established to facilitate reconciliation with justice. It will seek to establish the truth about human rights violations between 1974 and 1999, and to support the reception and reintegration of offenders of lesser crimes through community-based mechanisms. Since the swearing in of the Commissioners on 21 January 2002, the Commission has begun to work in its truth seeking function with communities in two regions. The Commission has also provided clear information about its role to refugee communities in West Timor. At the end of its two-year mandate, the Commission is to report to the Government, with recommendations for the protection of human rights.

Serious crimes

34. The Serious Crimes Unit continued to focus on 10 priority cases, and so far 101 alleged perpetrators of serious crimes in 1999 have been charged in 35 indictments (including indictments from 5 of the 10 priority cases), 13 of them for crimes against humanity, with 44 arrests to-date. In the reporting period, two more indictments for crimes against humanity were filed against 18 men, including the militia leader Eurico Guterres and another senior militia commander. The remaining 57 alleged perpetrators are suspected to be in West Timor or other parts of Indonesia. Although requests have been made to the Attorney General of Indonesia for their arrest and transfer, there has been no positive response to date.

35. So far, 15 trials have been concluded by the Special Panels for Serious Crimes at the Dili District Court, resulting in the conviction of 22 men with appeals in 9 of the cases. A further 10 trials are currently ongoing, 6 of them for crimes against humanity. Progress in the trials has continued to be slow owing to an overburdened justice system. However, the ongoing recruitment of international judges and a court administrator for the Special Panels is expected to accelerate the pace of proceedings. Member States are urged to assist in supporting this work through the provision of judges and public defenders.

Prosecutions in Indonesia

36. During the reporting period, a series of meetings between the General Prosecutor of East Timor and the Attorney General of Indonesia took place with a view to enhancing cooperation in prosecuting those responsible for the events of 1999. As a follow-up to these meetings, the UNTAET Serious Crimes Unit in Dili received a team of three Indonesian investigators collecting evidence in relation to the 1999 murder of Sander Thoenes, a journalist from the Netherlands. It is hoped that a credible prosecution in this case can take place in the very near future.

37. The Indonesian Ad Hoc Human Rights Tribunal in Jakarta has begun its first trials of persons alleged to be responsible for serious human rights violations in East Timor during 1999. As indicated in an earlier report (S/2001/983 and Corr.1), it is regrettable that the Government of Indonesia has not expanded the restrictive jurisdiction of the tribunal beyond the months of April and September 1999 and the districts of Liquica, Dili and Cova Lima. These restrictions exclude several significant cases that occurred in 1999. I remain hopeful that the Government will take the necessary steps to ensure that the Tribunal can cover all human rights crimes committed in East Timor from January to October 1999.

38. On 7 March 2002, the Central Jakarta District Court sentenced Jacobus Bere, one of the four persons accused of the killing of Private Leonard Manning (a member of the UNTAET New Zealand contingent), to six years' imprisonment. On 20 March, the charges against the remaining defendants were dismissed. The decisions of the Court can only be regarded as inadequate and disappointing. It is expected that an appeal will be lodged and that justice will ultimately be done.

Internal security

39. Within East Timor the reported crime statistics remain low. There has been, however, an increase in traffic accidents, and a noticeable increase in reported domestic violence cases during the past three months. On 22 January 2002, my Special Representative and the Chief Minister launched a nationwide media campaign to combat domestic violence. The UNTAET

Police Commissioner has requested assistance with further specialized training from donor countries for Vulnerable Persons Unit officers working with domestic violence cases.

40. Some concern has been expressed over the precise meaning of the East Timor Constitution's provision for the coexistence of police and "other security groups". In the districts, small unofficial security groups continue to exist within East Timor. While UNTAET monitoring of their activities suggests that at present they pose no significant threat, this matter will remain under close review. These groups include some former fighters of the Armed Forces for the National Liberation of East Timor (Falintil) disenfranchised by their exclusion from the East Timor Defence Force and perceived lack of public acknowledgement. The International Organization for Migration (IOM) is reviewing the reintegration of former combatants under its Falintil Reinsertion Assistance Programme. At the same time, the Government is setting up an Office of Veterans Affairs which is to act as an advocate for veterans and facilitate their access to government assistance programmes.

D. Economic and social development

41. Significant progress has been made in the rehabilitation of physical and social infrastructure and provision of social services, especially in health and education. Much of this support for reconstruction and development has been provided through the Trust Fund for East Timor and other multilateral and bilateral assistance. Continued bilateral and multilateral support will be needed for the foreseeable future to ensure that the focus shifts to strengthening the capacity of national institutions to continue service delivery.

Economic and fiscal issues

42. As indicated in my previous report, East Timor's economic recovery was estimated at 18 per cent in 2001, with an annual inflation estimated to be less than 3 per cent. This is expected to level out in 2002 following the reduction of the international presence in East Timor. From the annual average of US$ 5.2 million per month, the taxable imports grew to around $6.6 million in the last quarter of 2001. In a recent household survey, 87 per cent of respondents stated that they were now at the same economic level or better than they were before the violence in 1999. Nevertheless, an independent East Timor will continue for some time to be one of the least developed nations in the region — about 340,000 people, or 41 per cent of the population of about 800,000, live under the absolute poverty line of $0.55 per day.

43. Strong reconstruction efforts through the Trust Fund for East Timor and bilateral projects have been critical in supporting this recovery. The Trust Fund currently has eight active programmes in the sectors of health, education, agriculture, community development, private sector development, transport and power, water and sanitation, and microfinance.

44. The Transitional Government has made good progress against revenue targets, with performance in the first seven months of the financial year slightly exceeding revenue targets. Cost recovery in the power sector, however, reached only 30 per cent of its pro rata mid-year target. Overall expenditure progress has been satisfactory, although budget execution has varied substantially between agencies and has been slower for capital programmes than for salaries and goods and services.

45. The Ministry of Finance has continued to receive substantial support from bilateral donors and the international financial institutions to strengthen fiscal and fiduciary systems and build capacity among its staff. IMF has provided advice and assistance on macroeconomic and revenue issues, and has supported a comprehensive programme of institution building in the Banking and Payments Authority. The World Bank has recently completed an assessment of public expenditure management systems which recommended actions to strengthen these systems. It found that the systems already in place have, for the most part, sound management practices and strong controls in comparison to other countries at similar income levels: the main challenge ahead will be to build the capacity necessary to transfer these systems to full government control over the medium term.

46. A development planning process was first officially launched on 21 January 2001. The Planning Commission, an all-East Timorese body comprised of government and civil society representatives, has set twin objectives for the development plan — to foster strong economic growth and to reduce poverty. Mr. Gusmão, in his capacity as Head of the Civil Society Consultative Commission, led a country-wide

consultation which reached over 17,000 men and 11,000 women before its conclusion in February 2002. Preliminary results of the consultation, which focused on goals for the year 2020, show that for both the present and the future, the East Timorese have two overriding concerns — improvements in the status of education and health.

47. The national development plan, the medium-term fiscal framework and the annual budget for 2002/03 will constitute the background documents for the donors' meeting to be held at Dili on 14 and 15 May. At this meeting, donor pledges will be sought to support the Government's programme by bridging the expected financing deficit over the next three years.

Natural resources

48. Oil and gas reserves will be of critical importance for East Timor. The Timor Sea Arrangement, reached on 5 July 2001 with the Government of Australia and the Transitional Administration, will help ensure that the gains made in social and economic recovery since the violence of 1999 are maintained and increased. East Timorese officials have been working with their Australian counterparts to finalize the text and annexes of this Arrangement, which is expected to be signed as a treaty upon independence.

49. The treaty would govern petroleum production from the Bayu-Undan field, which is soon to begin producing. East Timor would receive 90 per cent of the petroleum production from this field under the treaty. The Government of Australia is still reviewing the understanding of December 2001 on gas fiscal arrangements between East Timor and petroleum companies operating in the Bayu-Undan field. Under the Timor Sea treaty, this understanding would allow Bayu-Undan gas development to proceed in addition to the current liquids phase. The Transitional Government is closely monitoring interests by producers in the other major petroleum field in the treaty area, Greater Sunrise, which is yet to be developed. The development of Greater Sunrise gas could add to East Timor's revenues.

Agriculture and fisheries

50. The agriculture and fishing sector remains the single largest contributor to the East Timorese gross national product. It is estimated that the sector contributes one third of the gross domestic product. In agriculture, efforts have been concentrated on increasing crop production with the aim of ensuring food self-sufficiency and food security; livestock vaccination and the distribution of animal health guidelines; repair and maintenance of more than 5,000 hectares of community irrigation systems; working with businesses and civil society to provide fishing equipment for fishermen and simple agricultural tools to farmers; restoration of major fish hatcheries, and the harbour facilities in Hera; and developing income-generation strategies for East Timorese farmers and fishermen. The tangible outcome of these efforts has been the recovery of agricultural production to pre-1999 levels, as well as the anticipated increase of sea fish supplies, at the predicted rate, to 1998 levels by mid-2002.

Infrastructure

51. The Department of Public Works is currently involved in the reconstruction of 40 government buildings for a range of government agencies across the country at a value of over $1 million. In road transport, emphasis has been placed on re-establishing the capability of the Roads Services Department to manage maintenance of the road network. The majority of the repair work has been funded through the Trust Fund for East Timor ($21.3 million over two years), with the Government of Japan also making a significant contribution. The Water and Sanitation Service is currently operating urban water supply systems in 13 district towns. Several major projects are in process to rehabilitate and augment infrastructure and build East Timorese capacity. During the last three months major projects valued at $18 million in donor funding have commenced in Dili and in the districts of Covalima, Bobonaro and Viqueque.

52. The rehabilitation of over 17 rural power stations and the restoration of Comoro power station has been completed, supplying power to all of Dili. Substantive repairs have been made to the water supply system in Aileu town. A power billing system is now in place in Dili only, and three billing centres have been established to service the 18,000 registered customers.

53. The Ministry for Transport and Communications has worked extensively to prepare for the dramatic reduction of the UNTAET communication network when the mission draws to a close. It has had to consider a number of options to ensure adequate or minimal transport services after independence, paying

particular regard to the special needs of the isolated Oecussi enclave. An international shipping company will provide regular passenger services between Dili and Oecussi and between Dili and the island of Atauro, scheduled to commence in May. Further efforts are being made to implement a new arrangement with Indonesia to provide a bus transit route through West Timor for the residents of Oecussi. Indonesian authorities raised logistical and administrative problems, as well as security concerns for the delay in implementing the arrangement. I would urge the Government of Indonesia to implement this agreement without delay, so that this vital new service can be in place before Independence.

54. The refurbishment and improvements to the domestic terminal at Dili airport are now complete, with a new fire fighting system and modernized air navigation system now installed. The development of Dili Port is still under way and it should soon be completed, as weather conditions permit.

Education and health

55. The Transitional Government has made substantial progress in the education sector, with the emergency rehabilitation largely completed. Education for most East Timorese school-age children has been normalized, with enrolment reaching more than 240,000. This exceeds the pre-1999 level of around 190,000.

56. The rehabilitation effort has now shifted to a developmental phase, with emphasis on quality improvement and sustainability in the longer term. Five new prototype schools have been completed, while 14 integrated primary and secondary schools and 65 upgraded primary schools are scheduled for construction. A five-year education plan, which emphasizes curriculum improvement, teacher training, and overall sector management capacity-building, has also been formulated. There are still 800 budgeted teaching posts unfilled owing to the poor quality of candidates available. There are 150 Portuguese teachers currently teaching Portuguese and concurrently training primary school teachers in the skills required to teach Portuguese. Donors have been approached for funding to upgrade the standard of teachers and to provide more teachers. The budget for 2003 provides for the establishment of an Institute of Continuing Education for teacher training.

57. The building of a national health infrastructure has seen substantial progress in the past few months. The first of 24 community health centres will be completed in April, which together with the existing 64 centres will provide basic health services throughout the country. Existing facilities are gradually being equipped with high-frequency radios, providing a vital link between these services. In February, a new medical warehouse, supplying drugs and medical consumables to all the districts in East Timor, was opened. The rehabilitation/reconstruction of Dili National Hospital and five regional hospitals is the subject of a proposal submitted to the Council of Ministers, and this will greatly enhance the secondary and surgical services available nationally.

Transition

58. The progressive reduction of international personnel across all UNTAET components has taken place as national institutions and personnel take over the provision of government services (see annex I to the present report).

59. A number of government functions which continue to be provided from within UNTAET, such as media, legal services, defence policy, procurement, police policy and electoral management, are being redesigned for incorporation within the Government, in some cases as independent statutory entities. The East Timor Defence Force, which currently reports to my Special Representative, will also be brought under ministerial supervision, subject to command and control arrangements currently being finalized for the successor mission, between the United Nations military component and the East Timor Defence Force.

60. In other sectors, such as communications, this will mean a more restricted facility pending the development of a privatized national telecommunications network over the next 12 months. A regulation has been passed to create an independent broadcasting authority and donor support is being sought to maintain existing public media until such time as the national broadcaster becomes operational. Several new judicial and quasi-judicial institutions prescribed in the Constitution will need to be established, the highest priorities being an Ombudsman's Office, a Supreme Court of Justice and a Superior Council for the Judiciary.

61. Much of the policy development around the new services and organs of government is created in the context of the 2002/03 budget, which will determine the level of service to be supported. This budget is being developed for the first time by an all-Timorese Council of Ministers, based on the policy that it has determined. It will go to donors for discussion at the donors' conference to be held at Dili on 14 to 15 May.

III. United Nations role after independence

A. Plan for a successor mission

62. Planning for a successor mission to UNTAET has been undertaken by a number of working groups, both in the field and through the integrated mission task force in New York over the past 12 months. It has also been the subject of extensive consultations with all stakeholders. A final consolidation was achieved when planning teams from New York and Dili met in East Timor from 17 to 24 March 2002, consisting of civilian, police and military planners from the field and Headquarters. The proposals for the successor mission's mandate and structure, detailed in previous reports (S/2001/719, paras. 52-60, S/2001/983, paras. 59-80 and S/2002/80, paras. 76-94), are further elaborated here, as requested by the Security Council in its resolution 1392 (2002).

63. The plan provides for a continued and appropriately reduced United Nations peacekeeping mission in the post-independence period to ensure the security and stability of the nascent State. It provides a milestone-based approach towards the Mission's gradual withdrawal over a two-year period. To facilitate a smooth transition of the United Nations role towards traditional development assistance, the plan also provides for mechanisms to ensure that the Mission's activities are coordinated with those of the wider United Nations system, bilateral donors, civil society and the structure and national development plan of the East Timor Government itself.

1. Mandate, operational principles and programmes of the successor mission

64. Subject to the concurrence of the Security Council, a United Nations Mission of Support in East Timor (UNMISET) would be established and entrusted with a mandate comprising the following elements:

(a) To provide assistance that is crucial for the stability of East Timor and the viability of its emergent public administration;

(b) To assist in the development of a law enforcement agency in East Timor operating in accordance with international human rights standards;

(c) To contribute to the maintenance of external and internal security.

65. UNMISET would ensure that all operational responsibilities were fully devolved to the East Timorese authorities as soon as was feasible while ensuring stability, through a process of assessment and phase-out over a period of two years (see S/PRST/2001/32).

66. Based on the framework set out in my previous report (S/2002/80, annex), a comprehensive mandate implementation plan for UNMISET is proposed, consisting of three key programmes: stability, democracy and justice; internal security and law enforcement; and external security and border control.

2. Overall structure

67. The Mission, headed by my Special Representative (SRSG), would include a civilian component, a police component and a military component. The Office of the Special Representative of the Secretary-General would include the units usually required in multidimensional peacekeeping operations, as well as focal points for gender affairs and HIV/AIDS. The civilian component would comprise a small group of experts to provide critical assistance to the emergent Government, a Serious Crimes Unit to assist in the conduct of serious crimes investigations and proceedings, as well as a Human Rights Unit. The activities of the Human Rights Unit, which would have a field presence, would include: maintaining liaison with the Reception, Truth and Reconciliation Commission; providing advice on the human rights situation and on mechanisms to guarantee full respect for human rights; the unit would also provide human rights training for United Nations and East Timorese officials, in particular police and defence personnel.

68. The civilian police and military components of UNMISET would initially require a strength of 1,250 and 5,000 all ranks, respectively. These personnel

would be gradually reduced and withdrawn according to the achievement of predefined conditions.

3. Mandate implementation plan for the successor mission

Programme I. Stability, democracy and Justice

(a) Support to the post-independence public administration

69. While UNTAET has assisted in the creation of an East Timorese public administration, the emerging institutions remain fragile. In the period immediately after independence, assistance will be required to ensure that core administrative structures remain sustainable and the required tasks are adequately completed. In those areas critical to the viability of government, political stability and basic services provision, and for which no other source of assured funding has been identified, UNMISET would assist the Government through the provision of international expert assistance.

70. As previously reported, some 100 core functions were identified as a requirement for periods ranging from 12 to 24 months (S/2001/983 and Corr.1, S/2002/80 and Corr.1 and S/PRST/2001/32). The personnel assigned to these functions would be known as the Civilian Support Group and they would assist in the following areas of government administration: financial and central services (42); internal systems in the Council of Ministers, the Chief Minister's office and various ministries (27); essential services, such as water and sanitation, power, roads, housing, ports and health (17); and the legal/justice systems (14). The identified needs are consistent with the priorities outlined in the United Nations Development Assistance Framework and the National Development Plan of East Timor.

71. UNTAET, together with UNDP and the East Timorese ministries concerned, finalized detailed job descriptions, which were advertised during the month of February 2002 with the caveat that their establishment would depend upon General Assembly approval (A/56/685, para. 15). Out of the 100 functions, eight are United Nations Volunteers and have been advertised separately, while five would be cost-shared with IMF, which would retain a say in the selection of personnel for these posts. Over 2,000 applications representing 117 nationalities were received. The first screening of candidates for all those functions was conducted during March and substantive reviews are currently being conducted with relevant East Timorese ministers and government officials.

72. The Government has so far recommended 71 candidates for recruitment (42 per cent from Portuguese-speaking countries). Of these, 41 are current incumbents and 31 are new recruits. Three functions failed to attract candidates with the minimum requirements: the Prisons Adviser; the Adviser to the Director General in the Ministry of Economic Affairs and Planning; and the Senior Adviser to the Inspector General. No suitable candidates could be identified for six other functions: economist in the Banking and Payments Authority; registry and notary adviser; public prosecutor; public defender; adviser on water and sanitation; and adviser on roads. For these nine positions, the Secretariat and UNTAET have issued a note verbale requesting the urgent assistance of Member States in identifying suitable candidates so that all functions may be filled by the end of May 2002.

73. UNTAET and the Transitional Government have agreed on a concept for the management of the Civilian Support Group, which would seek to ensure ownership by the East Timorese Government, while taking into account the need for accountability by the United Nations for the use of assessed funds. A small liaison team within UNMISET would prepare work plans for the technical experts, oversee their performance, adjust objectives if necessary and assess progress in implementing work plans, prepare performance appraisals in consultation with government supervisors and advise on extensions of appointment. The team would also ensure application of general public service standards and systems throughout the public administration (including for the management of information, personnel, material resources and quality of service delivery, according to standards of accountability, transparency, equity and human rights).

74. Based on the needs assessment carried out by the Government, the Civilian Support Group would be expected to complete most of its activities in the areas of essential services and legal systems by November 2003, and to implement at that time a 30 per cent reduction. The remaining 70 functions in the areas of financial and central services as well as internal systems would be scheduled to end by May 2004. The

drawdown of the Civilian Support Group is shown in annex II to the present report.

75. UNDP has identified the requirement for international assistance in support of social and economic development and poverty reduction, and after extensive consultation with the Transitional Government, a list of some 200 functions is currently being finalized. These functions will be located within the Ministries of Finance, Internal Administration, Economic Affairs and Planning, Foreign Affairs, the Presidency and the Prime Minister's Office, as well as sectoral Ministries, including Health, Education, Agriculture and Fisheries, Communications and Transport, and Water and Public Works. UNTAET, UNDP and the Transitional Government held preliminary consultations with donor representatives based at Dili. Donors expressed interest in particular in the areas of education, health, agriculture, justice and finance. UNDP has developed an umbrella project to coordinate and manage contributions of donors who wish to provide support other than through bilateral arrangements, and provides for recruitment, contract management and performance assessment.

(b) Assistance in the conduct of serious crimes investigations and proceedings

76. The second objective of this programme would be to continue to assist in the conduct of investigations and court proceedings to bring to justice those responsible for serious crimes committed in 1999, in accordance with the priorities defined by the Security Council in its resolutions 1272 (1999), 1319 (2000) and 1338 (2001). While the national police and prosecution service are now in a position to investigate and prosecute ordinary crimes, the scope and nature of serious crimes cases go beyond the current capacity of these institutions, and continued international expertise is required.

77. The UNMISET Serious Crimes Unit would continue to be headed by an international deputy general prosecutor, who would report functionally to the East Timorese general prosecutor. The unit would focus its investigations on 10 priority cases, and on those persons who had organized, ordered, instigated or otherwise aided in the planning, preparation and execution of the crimes. Under its management plan, investigations into the 10 priority cases and 5 additional investigations into widespread patterns of serious violence would be concluded by the end of 2002; the investigators in the unit would be gradually reduced by a third. The remaining investigators would be required to assist prosecutors during the trials to carry out follow-on investigations and give court testimony.

78. Many key suspects are still at large and the capacity of the East Timorese court system to try such cases remains limited. The expertise of international judges in the special panels at the Dili District Court would continue to be required to ensure the successful completion of trials throughout the year 2003. In addition, international defence lawyers with considerable experience in international criminal law would be necessary to ensure fair trial and adequate representation of the accused. The unit would continue to cooperate with Indonesian investigators in their efforts to make inquiries into the past crimes. I urge Indonesia to continue and enhance its cooperation with the East Timorese authorities in order to ensure that those responsible for organizing serious crimes are brought to justice.

Programme II. Internal security and law enforcement

79. This programme would have two objectives, namely to continue providing executive policing after independence, and to support the development of the East Timor Police Service through training, co-location and the timely and coordinated handover of responsibilities.

80. During the mandate of UNTAET, significant progress has been made towards the establishment of a professional, efficient and sustainable East Timor Police Service operating in accordance with international standards. The Police College, which was established in March 2000, continues to provide basic training and has a capacity of up to 300 cadets. At the time of independence, a total of 1,800 East Timorese police officers would have received basic training and would be deployed throughout the country. Another 1,030 are scheduled to be trained to reach the target strength of 2,830 (including 230 border and immigration officers). Following their training, the East Timorese officers would be co-located with their United Nations peers at appropriate levels of command for on-the-job mentoring.

81. The programme would be implemented by the UNMISET police component, assisted by a small

number of civilian experts. The special arrangements delimiting the working relationship between the military and police are currently being finalized and will be formally agreed upon prior to independence. This includes provisions for military back-up, in the event of serious or large-scale internal security incidents exceeding police capabilities.

82. The East Timor Police Service would be able to provide all basic police functions, including crime prevention and detection, traffic police, crowd management and community policing, and to attend to the special needs of vulnerable persons and victims of domestic violence in particular. However, some specialized functions, such as forensic examinations, have been out-sourced and their development will need to be considered as the national budget increases.

83. A development plan outlining the handover to the East Timor Police Service was agreed to with the Transitional Government. The plan provides for a gradual transfer of responsibility for executive policing as East Timorese officers are certified and their district is accredited. Mobile United Nations police teams will continue to visit individual police stations to review their performance and to ensure that a district or unit and its personnel meet the standards of capacity and integrity required for certification of individual officers and accreditation of organizational structures. At the time of handover, the role of the United Nations police would change to a technical advisory function. The first handover of responsibility is planned to take place at independence in Aileu district. Another four districts and eight specialized units would be handed over by 31 December 2002, and the remaining districts by November 2003.

84. International and national police would continue to function as a joint service operating with a unified chain of command until such time as executive responsibility for all 13 districts, specialized units and headquarters is handed over to East Timorese commanding officers. Until that time, they would remain under the command of the international police commissioner reporting to my Special Representative. The arrangements will be confirmed in an agreement between the United Nations and the Transitional Government of East Timor, which is being finalized.

85. Throughout the transition period, specialized training, including training in human rights, and management skills, would be provided. UNMISET would continue to develop the organizational capacity and integrity of the East Timor Police Service, and review its entire organizational structure. Upon endorsement of the organizational structure and handover of the headquarters, projected to occur in January 2004, the national police commissioner would assume full executive responsibility over the police, while a limited number of UNMISET police would remain in an advisory role.

86. With the gradual assumption of executive responsibility by East Timorese officers, the United Nations police strength would be continuously and gradually downsized from 1,250 officers at the time of independence to 100 officers by January 2004. The downsizing and handover plan are shown at annex III to the present report.

Programme III. External security and border control

(a) Support for external security and territorial integrity

87. This programme would have as its first objective the provision of continued support for external security and territorial integrity of East Timor through the UNMISET military component, while ensuring timely handover of responsibilities to the East Timor Defence Force and relevant public administration departments.

88. At the time of independence, the East Timor Defence Force would still be in its early stages of development, and it is expected that it would only attain full operational capability by January 2004. A formal agreement specifying the modalities for coordination between the peacekeeping force and East Timor Defence Force after independence is being discussed with the Transitional Government of East Timor.

89. While weakened in organization and capacity, the militia elements in West Timor remain a potential threat. The downsizing of the peacekeeping force, including military observers, is premised on the key assumption that the threat from the militia elements will gradually reduce. Relevant progress so far has been a direct result of the deterrence provided by a robust peacekeeping presence, as well as the continued efforts by the Government of Indonesia, to contain the militia threat. A reduction of the long-term militia threat relies significantly on repatriation to East Timor,

or permanent resettlement, of East Timorese refugees in West Timor or elsewhere in Indonesia.

90. In order to ensure a timely handover of responsibilities to the East Timor Defence Force and relevant public administration departments, a plan is being developed with the East Timorese authorities for approval prior to independence.

91. The downsizing of the military component would occur in four phases over two years. The plan would ensure that UNMISET troops would maintain the necessary capability to carry out response operations as required throughout East Timor. The downsizing would equally affect military observers, whose main role would be to facilitate United Nations and East Timorese interaction with Indonesian authorities, in particular TNI along the Tactical Coordination Line. They would also have a limited liaison role with the East Timor Defence Force and would maintain a presence for a limited period in areas vacated by troop reductions. Graphic representation of the downsizing is shown in annex IV to the present report.

92. *Phase one — May to November 2002*: At independence, the peacekeeping force would have a strength of 5,000 troops, including 120 military observers, down from UNTAET authorized strength of 8,950 all ranks. As the national and UNMISET police assume exclusive responsibility for internal security, troops would withdraw from a number of districts in the east. The military component would continue to have a limited countrywide presence and maintain high mobility for possible backup to the police. At the completion of this phase the military component strength would be reduced to 3,870 troops.

93. *Phase two — November 2002 to July 2003*: It is estimated that by July 2003, the border would be demarcated and its management assumed by the civilian authorities, including the police. It is further expected that the potential threat from East Timorese militia in Indonesia would be reduced to a very low level. This would allow the military component to pull back from the immediate vicinity of the border and from posts from junction points; and establish a single area of operations along the north-south border, and reduce its presence at the Oecussi border. These adjustments would bring the force strength down to approximately 2,780.

94. *Phase three — July to December 2003*: The military component would be downsized to a residual presence capable of response operations. At the completion of this phase, the force strength would be approximately 1,750.

95. *Phase four — December 2003 to June 2004*: By January 2004, the East Timor Defence Force would assume full responsibility for meeting external military threats. A complete withdrawal of the peacekeeping force is planned for the end of June 2004.

(b) Assisting in the development of border security and control

96. The second objective of programme III would be to assist in the development of national border security and control structures and policies, including facilitation of negotiations with neighbouring countries on border delimitation and demarcation. This objective would be implemented by the military, police and civilian components.

97. The process of demarcating the border between East Timor and Indonesia is at an early stage. An initial joint reconnaissance is scheduled to take place at the end of April. If there were no delays in the process, the boundary could be determined by the end of 2002, and the international boundary could be demarcated by July 2003.

98. Upon normalization of the border, the East Timor Police Service would assume responsibility for patrolling and immigration. In addition the Government would need to operationalize its customs service. While the UNMISET Civilian Support Group would include three customs experts for this purpose, additional coordinated support would be required from United Nations agencies, funds and programmes and bilateral donors.

B. United Nations system role after independence

99. The programmes of UNMISET would be coordinated with the wider United Nations system of agencies, funds and programmes — as well as other bilateral actors, civil society and the national development plan of the Government of East Timor itself — to ensure a smooth transition towards a normal framework for medium and long-term United Nations development assistance.

100. East Timor will require a sustained high level of development assistance, at least during the first three years after independence. To ensure the effective utilization of donor resources towards meeting the core priorities of the government budget, technical assistance and reconstruction needs, the national development plan (referred to in para. 47) will act as a coordinating framework for international assistance post-independence, including laying out priorities for technical assistance in government outside the Civilian Support Group posts covered by UNMISET.

101. It is my intention to appoint the United Nations Resident Coordinator in East Timor as my Deputy Special Representative. She will have the responsibility for overall coordination of the projects and programmes carried out by United Nations agencies, funds and programmes.

102. The United Nations development coordinator system in East Timor would continue to use a number of coordination mechanisms: all programmes would have the same budgetary cycle which would match the national development plan; inter-agency theme groups and committees have been established on capacity development, gender, HIV/AIDS, public information, common premises and administrative issues respectively, and further groups might be added to reflect the United Nations Development Assistance Framework; cost-sharing of Internet communications and a common United Nations agency web site, and an inter-agency database to disseminate sectoral and project data; weekly meetings of United Nations heads of agencies, funds and programmes, together with UNMISET staff would be chaired by the Deputy Special Representative; in addition, regular meetings would be held by my Special Representative with the heads of agencies, funds and programmes on matters of common interest.

103. Annex V to the present report provides a matrix summary of the planned post-independence programme areas of the United Nations agencies, funds and programmes in East Timor, which all have an over-arching focus on capacity development, including the development of human resources, institution building and policy development.

IV. Financial aspects

104. As indicated in my previous report, the General Assembly, in its resolution 56/249 of 24 December 2001, appropriated the amount of $458 million gross for the operation of UNTAET for the period from 1 July 2001 to 30 June 2002, at the monthly rate of $20 million gross for the period from 1 January to 30 June 2002.

105. My proposal for the disposition of UNTAET assets has been submitted to the General Assembly for its consideration at the second part of its resumed fifty-sixth session. In addition, the proposed budget for UNMISET for the period from 1 July 2002 to 30 June 2003 is currently under preparation and will be submitted to the General Assembly for its consideration at the same session.

106. As at 31 March 2002, unpaid assessments to the special account for UNTAET for the period since its inception until 20 May 2001 amounted to $115.0 million. The total outstanding assessed contributions for all peacekeeping operations amounted to $1,422.0 million.

V. Observations and recommendations

107. Two and a half years ago, East Timor was devastated. As UNTAET draws to an end, East Timor is at peace, fundamental government structures are in place, and the independence that it has struggled for over so many years is very close. However, all of these are at risk if they are not reinforced through a continued international presence and commitment. The United Nations had a truly historic mandate in East Timor. Few would have imagined that a de novo public administration could have been established within just 30 months. The East Timorese people, in partnership with the United Nations, have advanced on their path to independence and self-government. But, the East Timorese and members of the international community must be careful not to allow that process to lose momentum. East Timor is desperately poor and will remain so over the immediate future. However, its people are now in a position to determine their own fate and the country can enter into peaceful cooperation with its neighbours. I welcome, in this regard, the

initiation of bilateral and trilateral discussions between East Timor, Indonesia and Australia.

108. Despite the considerable efforts made over the past 30 months, a number of critical elements of the State will remain fragile at independence. While the responsibility to establish and maintain a viable State in East Timor clearly belongs to its people and its leaders, assistance from the international community will remain essential for continued stability and the development of the country for some time.

109. Section III above details proposals regarding the mandate and structure of the United Nations Mission of Support in East Timor (UNMISET) that will ensure that the gains made over the past two and a half years are consolidated. The Security Council may wish to approve these proposals and authorize the establishment of UNMISET for an initial period of 12 months. Upon receiving a mandate for the mission, a status of forces agreement with the Government of an independent East Timor will be concluded.

110. UNMISET will coordinate with the United Nations family, including the Bretton Woods institutions, as well as bilateral donors, non-governmental organizations and the private sector, to ensure that the international community maximizes the benefits of its collective resources.

111. The UNMISET mandate implementation plan establishes milestones that will allow the Security Council to monitor the achievement of the mission's goals. The objectives are realistic and achievable, but they cannot be realized by UNMISET alone. Member States that are in a position to lend the necessary support, and have the means to do so, should demonstrate their continued commitment to this cause. Time is of the essence and cooperation from neighbouring countries is needed so that the border can be normalized by July 2003 and the United Nations military component can be reduced as quickly as possible. Should donor support exceed current expectations for the border delimitation and setting up the border police and customs service, troop reductions could occur quicker than planned. The faster the successor mission achieves its goals, the sooner it can become leaner and vital resources can be directed elsewhere.

112. I cannot emphasize enough that material and financial support for the full establishment of the East Timorese police and military are essential and require urgent action. While training and governance mechanisms are put in place with the support of UNMISET, it will be up to bilateral donors to ensure that the police and military institutions are adequately equipped and resourced. Critical funding needs include bilateral staffing and infrastructure assistance to the fledgling Ministry of Defence, some $5.5 million for the establishment of a permanent base for the first East Timor Defence Force battalion, and for vehicles. Similarly, the East Timor Police Service, which will remain under United Nations command well into independence, requires urgent financial and material assistance so that policing can be carried out by the East Timorese themselves. The police budget of the Government of East Timor will be largely absorbed by goods and services costs, leaving very few funds for badly needed capital investments: the East Timor police needs resources to acquire a communications system, basic equipment for its special police units, rehabilitation and maintenance of police buildings, as well as firearms.

113. While I am optimistic that UNMISET will successfully contribute to the establishment of a well functioning police service for the people of East Timor, it will be equally important that East Timor establish an adequate justice system. If crime suspects are arrested by the police but go unpunished owing to failings of an overburdened justice system, there is a risk that the East Timorese people will lose confidence in the rule of law. Gladly, the successor mission will be able to provide some assistance towards developing the prosecution and defence mechanisms in the judiciary. However, it will be important that Member States maintain their commitment to ensure that investments made so far are maximized.

114. While the proposed mission will focus its efforts on consolidating a stable environment in East Timor, it will be up to other United Nations entities, bilateral and other donors to assist the people of East Timor in developing a sustainable economy. The interministerial agreement on the list of 200 priority posts for development and poverty alleviation will be an important feature towards a coordinated and strategic development approach. I urge Member States to channel their assistance through the interministerial list of priority posts.

115. Finally, I wish to express my deep appreciation to the Security Council and to the Member States that have provided unwavering support for East Timor. I

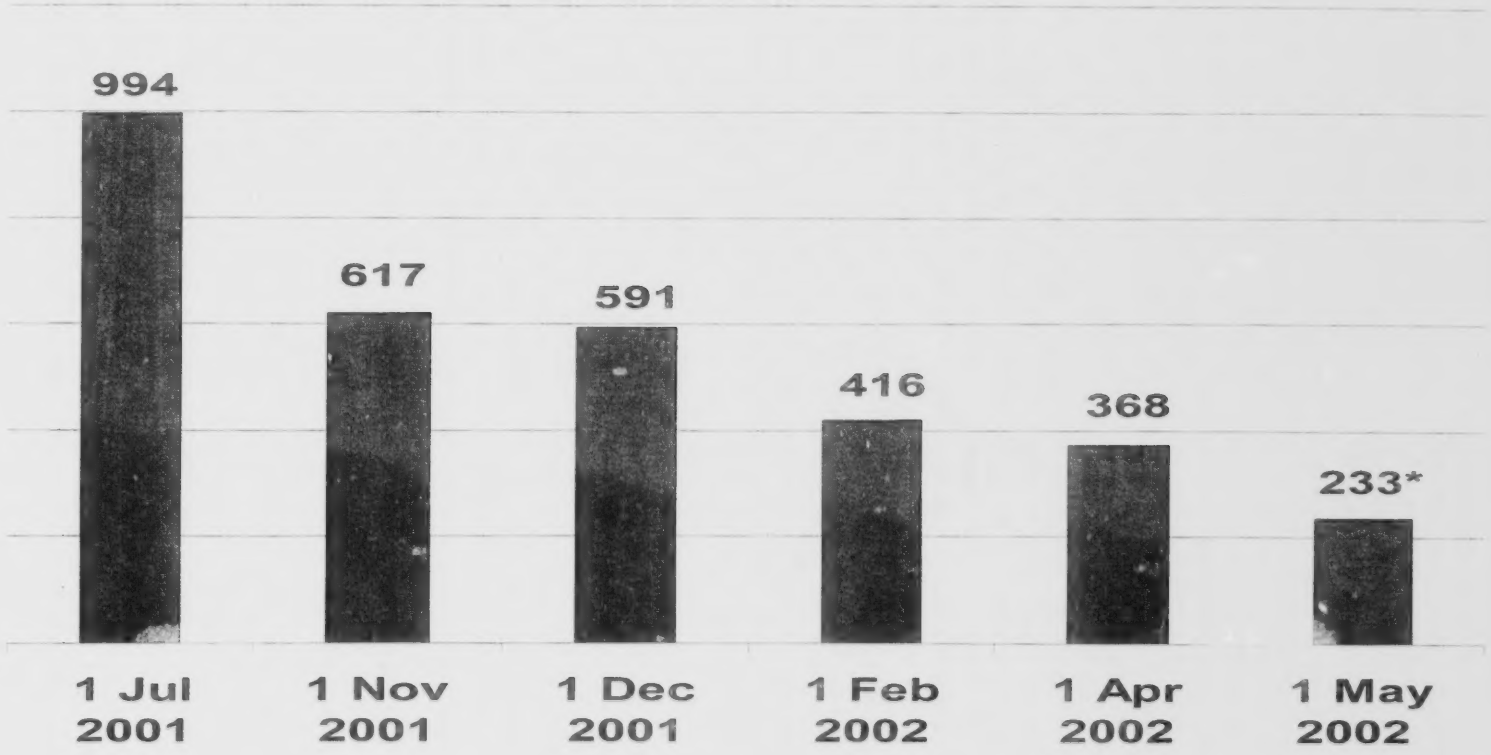
also wish to pay a special tribute to Sergio Vieira de Mello, my Special Representative, for his exceptional leadership and commitment, and to all the men and women of UNTAET and its partner organizations, for their outstanding contribution in helping East Timor to overcome its tragic past and preparing it to join the community of nations.

Notes

[1] Previous reports on UNTAET activities include S/2000/53 and Add.1, S/2000/738, S/2001/42, S/2001/436, S/2001/719 and S/2001/983 and Corr.1.

Annex I

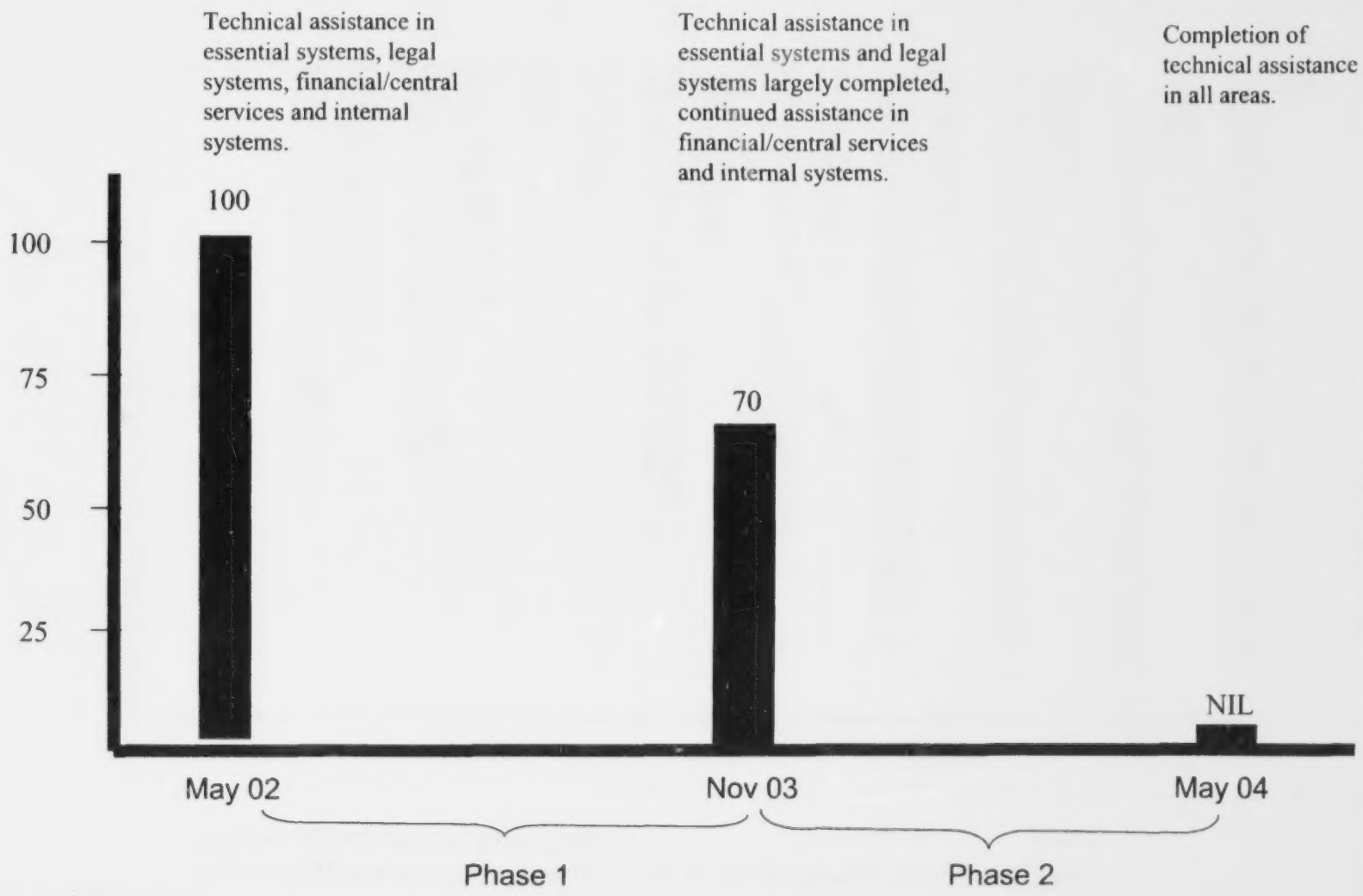
Staff of the United Nations Transitional Administration in East Timor assisting the Transitional Government



* Planned

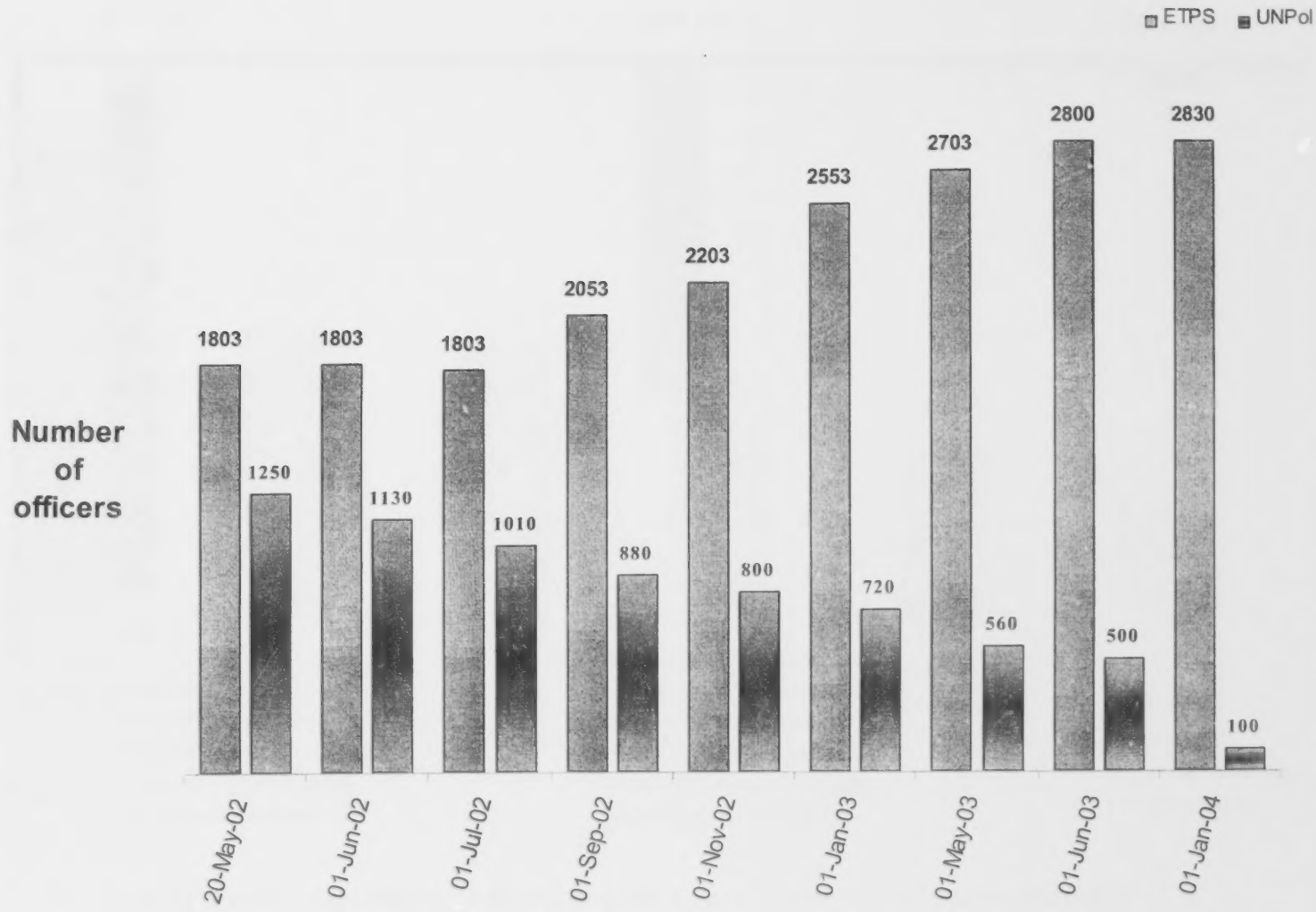
Annex II

United Nations Mission of Support in East Timor Civilian Support Group plan



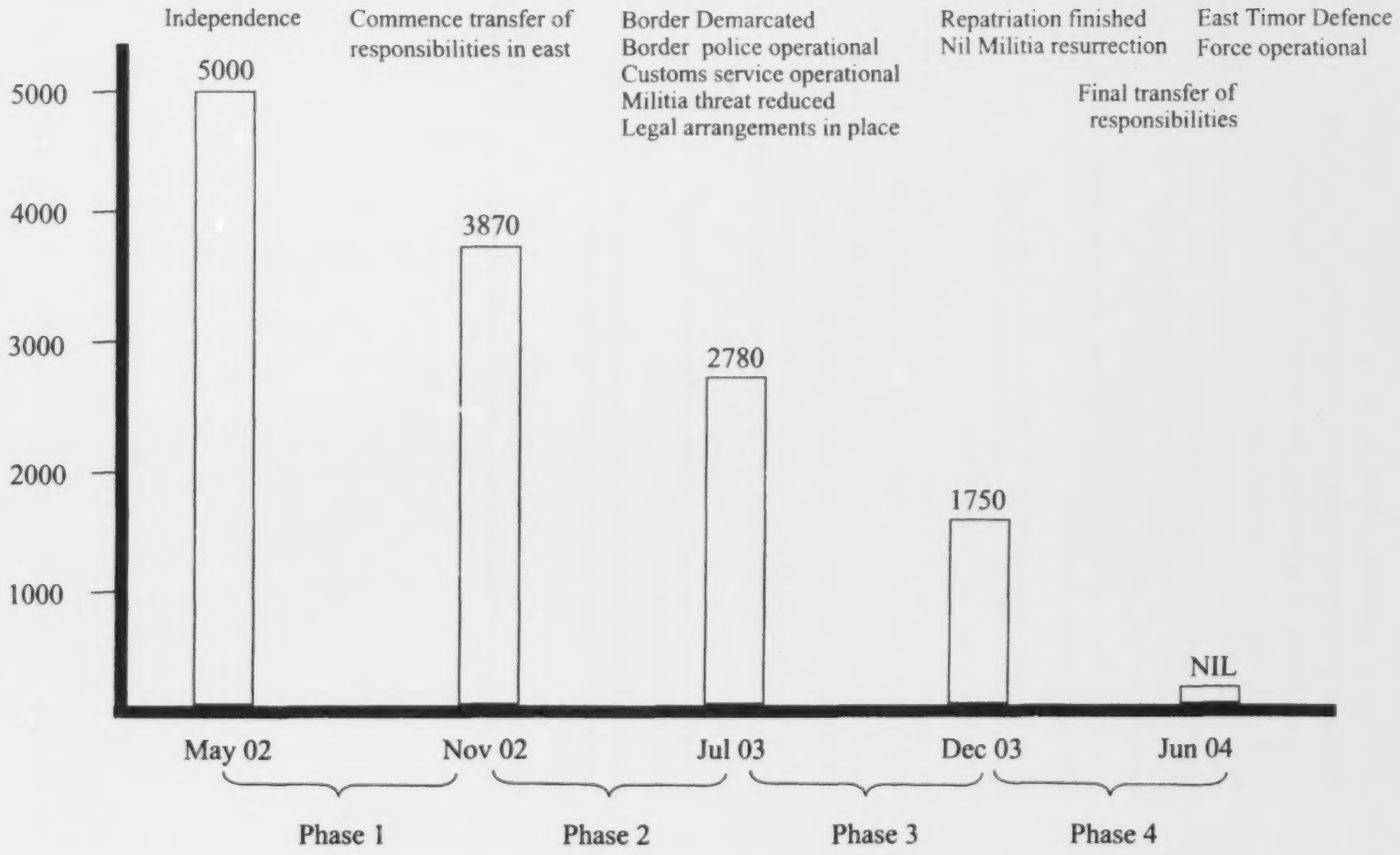
Annex III

United Nations and East Timor police strength during the United Nations Mission of Support in East Timor



Annex IV

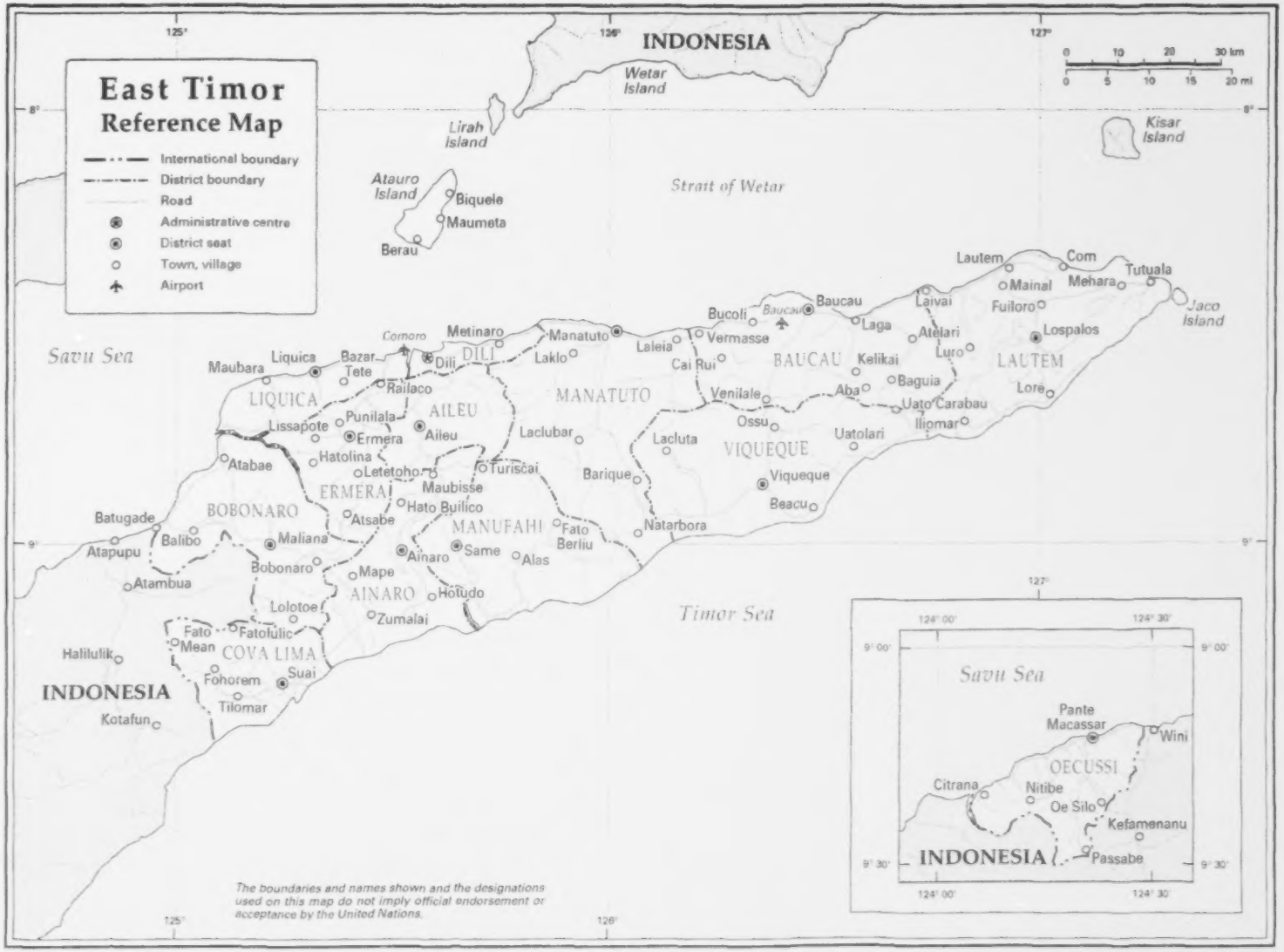
United Nations Mission of Support in East Timor military component four-phase plan



Annex V

Planned post-independence programme areas of the United Nations agencies, funds and programmes

Planned programme areas	*Lead agency*
Governance and public sector management, judiciary, strengthening of civil society, civic education, poverty alleviation and infrastructure rehabilitation	UNDP
Education, child protection, child immunization, safe motherhood, nutrition, water and sanitation	UNICEF
Prevention and control of communicable diseases, prevention and control of HIV/AIDS, universal child immunization, policies and strategies to improve the health system	WHO
Management services, particularly in the area of infrastructure rehabilitation and community development (with UNDP)	UNOPS
Population and development strategy, reproductive health, safe motherhood, improvement in the status of women	UNFPA
Development of employment services, strengthening labour administration, assistance to labour and employer groups, enterprise development	ILO
Promotion of food security, assistance to small-scale fisheries sector, policy and regulatory issues	FAO
Personnel support across the programmes of the various agencies, funds and programmes including the "stability" and "development" positions	UNV
Refugee reintegration, legal protection support	UNHCR



Map No. 4162 UNITED NATIONS
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